

Policy Number:	851-9097
Title:	Financial Assistance
System:	Financial
Department:	Accounting
Process Owner:	Financial Services
Effective Date:	04/10/2014
Related Policies & Forms:	

Financial Assistance (Charity Care Program)

This policy is adopted to implement the provisions of chapter 70.170 RCW and WAC 246-453-001 related to hospital policies for financial assistance, bad debt and emergency medical care, including admission practices, the compilation and measurement of the level of financial assistance services provided by the hospital district.

Notification Applies to All Patients

Garfield County Public Health District #1 (District or GCHD) will make available a notice to all patients informing them about the availability of financial assistance. Potential assistance is available to all patients who comply with the procedures and meet the guidelines in this policy.

Collection Practices Applies to All Patients

1. The District will have the Board of Commissioners receive and review an annual summary of report on collection actions taken
2. The administrator shall direct the Financial Services Department to initiate collection procedures for any patient that does not qualify for financial assistance and refuses to make payment arrangements with the District
3. The District may place a lien on a primary residence after making reasonable attempts to negotiate payment arrangements with any patient that does not qualify for financial assistance and refuses to make payment arrangements with the District

Uniform criteria for the identification of indigent persons

For the purpose of identifying indigent persons the District shall use the following criteria:

1. **No uninsured patient with income under 100 percent of the federal poverty level is required to pay for care.** All responsible parties with family income equal to or below one hundred percent of the federal poverty standard, adjusted for family size, shall be determined to be indigent persons qualifying for charity sponsorship for the full amount of hospital charges related to appropriate hospital-based medical services that are not covered by private or public third-party sponsorship;

2. **No uninsured patient with an annual income under 200 percent of the federal poverty level is required to pay more than the estimated cost of their care. (Cost is the charge times the hospitals average cost-to-charge ratio.)** All responsible parties with family income between one hundred one and two hundred percent of the federal poverty standard, adjusted for family size, shall be determined to be indigent persons qualifying for discounts from charges related to appropriate hospital-based medical services in accordance with the hospital's sliding fee schedule and policies regarding individual financial circumstances;
3. **No uninsured patient with an annual income under 300 percent of the federal poverty level is required to pay more than 130 percent of the estimated cost of their care. (Cost is the charge multiplied by the hospital's average cost-to-charge ratio.)** The District may classify any individual responsible party whose income exceeds two hundred one percent but less than 300 percent of the federal poverty standard, adjusted for family size, as an indigent person eligible for a discount from charges based upon that responsible party's individual financial circumstances.

Uniform procedures for the identification of indigent persons

For the purpose of identifying those patients that will be classified as indigent persons, all hospitals shall adopt and implement the following procedures:

1. The initiation of collection efforts directed at the responsible party shall be halted pending an initial determination of sponsorship status, provided that the responsible party is cooperative with the hospital's efforts to reach an initial determination of sponsorship status;
 - a. Collection efforts shall include any demand for payment or transmission of account documents or information which is not clearly identified as being intended solely for the purpose of transmitting information to the responsible party;
 - b. The initial determination of sponsorship status shall be completed at the time of admission or as soon as possible following the initiation of services to the patient;
 - c. If the initial determination of sponsorship status indicates that the responsible party may meet the criteria for classification as an indigent person, as described in WAC 246-453-040, collection efforts directed at the responsible party will be halted pending a final determination of that classification, provided that the responsible party is cooperative with the hospital's reasonable efforts to reach a final determination of sponsorship status;
 - d. During the initial determination of sponsorship status and/or the final determination of the applicability of indigent person criteria, the District may pursue reimbursement from any third-party coverage that may be identified to the hospital;



2. Notice shall be made publicly available that charges for services provided to those persons meeting the criteria established within WAC 246-453-040 may be waived or reduced.
3. The District will review each case based on the patient's specific situation and special circumstances.
4. Any responsible party who has been initially determined to meet the criteria identified within WAC 246-453-040 shall be provided with at least fourteen calendar days or such time as the person's medical condition may require, or such time as may reasonably be necessary to secure and to present documentation as described within WAC 246-453-030 prior to receiving a final determination of sponsorship status.
5. The District must make every reasonable effort to determine the existence or nonexistence of third-party sponsorship that might cover in full or in part the charges for services provided to each patient.
6. The District may require potential indigent persons to use an application process attesting to the accuracy of the information provided to the hospital for purposes of determining the person's qualification for financial assistance sponsorship. The District may not impose application procedures for financial assistance sponsorship which place an unreasonable burden upon the responsible party, taking into account any physical, mental, intellectual, or sensory deficiencies or language barriers which may hinder the responsible party's capability of complying with the application procedures. The failure of a responsible party to complete appropriate application procedures shall be sufficient grounds for the District to initiate collection efforts directed at the patient.
7. The District may not require deposits from those responsible parties meeting the criteria identified within WAC 246-453-040 (1) or (2), as indicated through an initial determination of sponsorship status.
8. The District must notify persons applying for financial assistance sponsorship of their final determination of sponsorship status within fourteen calendar days of receiving information in accordance with WAC 246-453-030; such notification must include a determination of the amount for which the responsible party will be held financially accountable.
9. In the event that the hospital denies the responsible party's application for financial assistance sponsorship, the hospital must notify the responsible party of the denial and the basis for that denial.
10. All responsible parties denied financial assistance sponsorship under WAC 246-453-040 shall be provided with, and notified of an appeals procedure that enables them to correct any deficiencies in documentation or request review of the denial and results in review of the determination by the hospital's chief financial officer or equivalent.
 - a. Responsible parties shall be notified that they have thirty calendar days within which to request an appeal of the final determination of sponsorship status. Within



the first fourteen days of this period, the hospital may not refer the account at issue to an external collection agency. After the fourteen day period, if no appeal has been filed, the hospital may initiate collection activities.

- b. If the hospital has initiated collection activities and discovers an appeal has been filed, they shall cease collection efforts until the appeal is finalized.
 - c. In the event that the hospital's final decision upon appeal affirms the previous denial of financial assistance designation under the criteria described in WAC 246-453-040 (1) or (2), the responsible party and the department of health shall be notified in writing of the decision and the basis for the decision, and the department of health shall be provided with copies of documentation upon which the decision was based.
 - d. The department will review the instances of denials of financial assistance. In the event of an inappropriate denial of financial assistance, the department may seek penalties as provided in RCW 70.170.070.
11. District shall make every reasonable effort to reach initial and final determinations of financial assistance designation in a timely manner; and District shall make those designations at any time upon learning of facts or receiving documentation, as described in WAC 246-453-030, indicating that the responsible party's income is equal to or below two hundred percent of the federal poverty standard as adjusted for family size. The timing of reaching a final determination of financial assistance status shall have no bearing on the identification of financial assistance deductions from revenue as distinct from bad debts.
12. In the event that a responsible party pays a portion or all of the charges related to appropriate hospital-based medical care services, and is subsequently found to have met the financial assistance criteria at the time that services were provided, any payments in excess of the amount determined to be appropriate in accordance with WAC 246-453-040 shall be refunded to the patient within thirty days of achieving the financial assistance designation.
13. If an unfavorable determination is made the applicant may reapply at any time.

Data requirements for the identification of indigent persons

- 1. For the purpose of reaching an initial determination of sponsorship status, the District shall rely upon information provided orally by the responsible party. The hospital may require the responsible party to sign a statement attesting to the accuracy of the information provided to the hospital for purposes of the initial determination of sponsorship status.
- 2. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of financial assistance sponsorship status, when the income

information is annualized as may be appropriate:

- a. A "W-2" withholding statement;
 - b. Pay stubs;
 - c. An income tax return from the most recently filed calendar year;
 - d. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
 - e. Forms approving or denying unemployment compensation; or
 - f. Written statements from employers or welfare agencies.
3. In the event that the responsible party's identification as an indigent person is obvious to District personnel, and District personnel are able to establish income within the broad criteria described in WAC 246-453-040 or within income ranges included in the District's sliding fee schedule, the District is not obligated to establish the exact income level or to request the aforementioned documentation from the responsible party, unless the responsible party requests further review.
4. In the event that the responsible party is not able to provide any of the documentation described above, the District shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person.
5. Information requests, from the District to the responsible party, for the verification of income and family size shall be limited to that which is reasonably necessary and readily available to substantiate the responsible party's qualification for charity sponsorship, and may not be used to discourage applications for such sponsorship. Only those facts relevant to eligibility may be verified, and duplicate forms of verification shall not be demanded.

Definitions

As used in this chapter, unless the context requires otherwise,

1. "Department" means the Washington state department of health created by chapter 43.70 RCW;
2. "Hospital" means any health care institution which is required to qualify for a license under RCW 70.41.020(2); or as a psychiatric hospital under chapter 71.12 RCW;
3. "Manual" means the *Washington State Department of Health Accounting and Reporting Manual for Hospitals*, adopted under WAC 246-454-020;
4. "Indigent persons" means those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer;

5. "Financial assistance" means appropriate hospital-based medical services provided to indigent persons, as defined in this section;
6. "Bad debts" means uncollectible amounts, excluding contractual adjustments, arising from failure to pay by patients whose care has not been classified as financial assistance;
7. "Appropriate hospital-based medical services" means those hospital services which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. For purpose of this section, "course of treatment" may include mere observation or, where appropriate, no treatment at all;
8. "Medical staff" means physicians, dentists, nurses, and other professional individuals who have admitting privileges to the hospital, and may also participate as members of the medical staff committees, serve as officers of the medical staff, and serve as directors or chiefs of hospital departments;
9. "Third-party coverage" and "third-party sponsorship" means an obligation on the part of an insurance company or governmental program which contracts with hospitals and patients to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others which have resulted in the medical condition for which the patient has received hospital services;
10. "Unusually costly or prolonged treatment" means those services or combinations of services which exceed two standard deviations above the average charge, and/or three standard deviations above the average length of stay, as determined by the department's discharge data base;
11. "Emergency care or emergency services" means services provided for care related to an emergency medical or mental condition;
12. "Emergency department" and "emergency room" means that portion of the hospital facility organized for the purpose of providing emergency care or emergency services;
13. "Emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in:
 - a. Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
 - b. Serious impairment of bodily functions;
 - c. Serious dysfunction of any bodily organ or part.



- With respect to a pregnant woman who is having contractions the term shall mean:
- d. That there is inadequate time to effect a safe transfer to another hospital before delivery; or
 - e. That transfer may pose a threat to the health or safety of the woman or the unborn child;
14. "Responsible party" means that individual who is responsible for the payment of any hospital charges which are not subject to third-party sponsorship;
15. "Limited medical resources" means the non-availability of services or medical expertise which are required or are expected to be required for the appropriate diagnosis, treatment, or stabilization per federal requirements of an individual's medical or mental situation;
16. "Publicly available" means posted or prominently displayed within public areas of the hospital, and provided to the individual in writing and explained, at the time that the hospital requests information from the responsible party with regard to the availability of any third-party coverage, in any language spoken by more than ten percent of the population in the hospital's service area, and interpreted for other non-English speaking or limited-English speaking or other patients who can not read or understand the writing and explanation;
17. "Income" means total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual;
18. "Family" means a group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as members of one family;
19. "Initial determination of sponsorship status" means an indication, pending verification, that the services provided by the hospital may or may not be covered by third party sponsorship, or an indication from the responsible party, pending verification, that he or she may meet the criteria for designation as an indigent person qualifying for financial assistance; and
20. "Final determination of sponsorship status" means the verification of third party coverage or lack of third party coverage, as evidenced by payment received from the third party sponsor or denial of payment by the alleged third party sponsor, and verification of the responsible party's qualification for classification as an indigent person, subsequent to the completion of any appeals to which the responsible party may be entitled and which on their merits have a reasonable chance of achieving third-party sponsorship in full or in part.

**Garfield County Public Hospital District
Financial Assistance Guidelines
Annual Income Thresholds Based on Federal Poverty Level Guidelines**

**ANNUAL INCOME THRESHOLDS BY
PERCENT OF POVERTY
AS PUBLISHED IN THE FEDERAL REGISTER**

These guidelines for all states, Alaska and Hawaii are listed separately. The guidelines are used by hospitals for calculating Charity Care eligibility under the Revised Code of Washington (RCW) 70.170

2014 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
1	\$11,670
2	15,730
3	19,790
4	23,850
5	27,910
6	31,970
7	36,030
8	40,090
For families/households with more than 8 persons, add \$4,060 for each additional person.	



Garfield County Hospital District

66 North Sixth Street
Pomeroy, WA 99347
(509) 843-1591
(509) 843-1234 FAX

You might be eligible for Medicaid and/or other financial assistance. Please complete and return the enclosed **Financial Assistance Application** and return it to the address above.

We will use this information to determine whether you are eligible for benefits through the State under Medicaid and/or other financial assistance. If you have questions or need assistance in completing your application please contact Alicia Scharnhorst, Financial Counselor at the number above. Thank you!

STEPS

1 Complete attached **Financial Assistance Application**. Be sure to provide requested copies of your personal identification cards and proof of income documents - lack of needed documents may delay processing your application. We can assist you with making copies if you do not have access to a copy machine. Please describe any special circumstances you would like us to consider.

2 Complete attached **Medicaid Eligibility Questionnaire**. If you are a Washington resident and answered "yes" to any of the questions, you may be eligible for Medicaid. Complete the attached Department of Social & Health Services paper application OR go online to:

www.washingtonconnection.org

Medicaid must qualify or disqualify you before other financial assistance is available.

3 Mail or bring your completed applications to the Business Office at Garfield County Hospital at 66 N. Sixth Street, Pomeroy, WA 99347 or mail directly to our billing company:

Healthcare Resource Group
12610 E. Mirabeau Parkway, Suite 900
Spokane Valley, WA 99216

4 Your application will be reviewed to determine what kind of financial assistance is available. You can expect to be contacted within 2-3 weeks following submission of your application with a determination.

It is important to answer all questions and provide all requested information. Please call if you have questions.



Today's Date: ____/____/____

YES	NO
-----	----

- [illegible]

*If you reside in Washington you may be eligible for Medicaid or other program benefits.
A paper Medicaid application is included or you can apply online at
www.WashingtonConnection.org.
Medicaid must disqualify you prior to being eligible for other financial assistance options.*



Date of Application: _____ **Financial Assistance Application Determination**

Name: _____

Address: _____

City: _____, St. _____ Zip: _____

Dear _____,

Your Financial Assistance Application received on Date has been reviewed and a determination has made to reduce the following accounts by ____ %.

Guarantor #		Name	
Admit	Beginning Balance	Write Off Amt	Reduced Balance Owing
SUBTOTAL			
Guarantor #		Name	
Admit	Beginning Balance	Write Off Amt	Reduced Balance Owing
SUBTOTAL			
GRAND TOTAL			

Enclosed is a Patient Payment Agreement outlining the terms for payment. Please sign and return it with your first payment due on _____.

Following is a list of other outstanding accounts and their current status in addition to those noted above:

Guarantor #		Name:
Admit	Total Charges	Status
	\$	
	\$	
Guarantor #		Name:
Admit	Total Charges	Status
	\$	
	\$	
	\$	
TOTAL	\$	

Please note that all accounts pending insurance payments remain the patient's responsibility.

Carefully review future statements and contact me with any questions at 1-888-610-5792.



PATIENT PAYMENT AGREEMENT

GCHD ALLOWABLE PAYMENT SCHEDULE			
Amount Owing		Period Allowed For Full Payment	Minimum Payment
\$1.00	\$499.99	12 Months	\$25.00
\$500.00	\$999.99	12 Months	\$50.00
\$1,000.00	And Above	18 Months	\$90.00

Guarantor #	
Name	
Admit	Reduced Balance Owing
SUBTOTAL	
Guarantor #	
Name	
Admit	Reduced Balance Owing
SUBTOTAL	
GRAND TOTAL	

SPECIFIC TERMS OF PATIENT AGREEMENT			
Grand Total Owing After Reduction Based on Financial Assistant Application	Time Allowed For Account To Be Paid In Full	Minimum Monthly Payment	Date Payment Due Each Month
By signing below, I agree to fully meet the terms of this Agreement as documented for only the stated admits/accounts. I understand that two consecutive reduced payments or missed payments may result in permanent Collection proceedings.			
X_____		Date:_____	

Please sign and return this form with your first payment due on _____.